

MEETING MINUTES

Finance Committee

September 30, 2009

CALL TO ORDER

Time – 7:10 P.M.

Members in attendance: Chairman Joanne F. Marden, Mary O'Donoghue, S. Jon Stumpf, Cindy Milne, Richard T. Howe, Mark Merritt, Paul Fortier, Stephen Stapinski and Peggy Kruse.

SPECIAL TOWN MEETING

The following committee members volunteered to speak at the Special Town Meeting:

Mark Merritt – Sale of 16 Pearson Street Article 4

Jon Stumpf – Local Meals Tax Article 5

Dick Howe – Transfer to Water Reserves Article 8

Mr. Stumpf reported what was discussed at the previous night's Tri-Board Subcommittee meeting with respect to a list of possible ways to close the Town's budget deficit. The following budget reduction options were discussed at this meeting:

Health Insurance – Estimated savings of \$110,000 based on September enrollment numbers.

Mr. Torrisi added that a hiring freeze would help the situation and that history has shown no major changes to be expected.

School Technology – Savings of \$111,000 due to leasing rather than purchasing laptops. There was a lengthy discussion on leasing within the CIP. Committee members expressed concern over lowering the CIP budget.

SPED Contingency – Reduction of contingency by \$269,000. Committee members noted the difficulty of estimating Out Of District costs and entered into a discussion on whether or not the current contingency of \$550,000 should be reduced.

There was consensus that with the above mentioned cuts in Health Insurance, SPED Contingency and School Technology, that would be enough to bridge the \$490,000 budget gap thereby eliminating the need to take from the Finance Committee reserve fund.

There was a discussion on what would happen if the Meals Tax article were to pass at Town Meeting. It was agreed that if it did, the money should not be appropriated in order to have the ability to absorb further cuts.

Consensus:

Finance Committee supports the budget deficit number of \$490,000.

Finance Committee supports Health Insurance and School CIP cuts totaling \$221,000.

Finance Committee supports a SPED contingency reduction by \$269,000.

NEXT MEETING

Tri-Board Meeting

Thursday, October 1, 2009

School Committee Room

7:00 P.M.

ADJOURNMENT – 9:30 P.M.

Respectfully Submitted,

Carolyn Lynch

Recording Secretary

ARTICLE 7 SPECIAL TOWN MEETING - FY2010 OPERATING BUDGET

		May 26, 2009	Oct 7, 2009	
LINE ITEM	DEPARTMENT	BUDGET FY2009	TOWN MEETING APPROVED FY2010	SELECTMEN/ FIN COM REC FY2010 Decrease
	PUBLIC SAFETY			
1	PERSONAL SERVICES	12,112,602	12,938,024	12,736,024 -202,000
2	OTHER EXPENSES	1,253,235	1,273,112	1,273,112
	TOTAL	13,365,837	14,211,136	14,009,136
Includes \$276,163 - parking receipts, \$75,000 - detail fees, and \$1,035,000 - ambulance collections				
	GENERAL GOVERNMENT & COMMUNITY DEVELOPMENT			
3	PERSONAL SERVICES	3,657,269	3,990,278	3,965,278 -25,000
4	OTHER EXPENSES	1,361,392	1,426,688	1,366,688 -60,000
	TOTAL	5,018,661	5,416,966	5,331,966
Includes \$6,000 in receipts from wetland filing fees.				
	PUBLIC WORKS			
5	PERSONAL SERVICES	1,605,356	1,609,754	1,588,254 -21,500
6	OTHER EXPENSES	3,786,200	3,632,250	3,570,750 -61,500
	TOTAL	5,391,556	5,242,004	5,159,004
	PLANT AND FACILITIES			
7	PERSONAL SERVICES	3,001,805	3,076,879	3,030,605 -46,274
8	OTHER EXPENSES	1,387,086	1,350,307	1,327,581 -22,726
	TOTAL	4,388,891	4,427,186	4,358,186
Includes \$70,000 in rental receipts; \$10,000 perpetual care income and \$57,000 from cemetery fees.				
	LIBRARY			
9	PERSONAL SERVICES	1,988,696	2,052,489	2,011,489 -41,000
10	OTHER EXPENSES	628,600	564,900	564,900
	TOTAL	2,617,296	2,617,389	2,576,389
	COMMUNITY / YOUTH/ ELDER SERVICES			
11	PERSONAL SERVICES	1,231,559	1,176,448	1,171,648 -4,800
12	OTHER EXPENSES	441,404	452,794	441,594 -11,200
	TOTAL	1,672,963	1,629,242	1,613,242
Includes \$544,127; \$13,760; \$61,632 in user fees and \$66,544 in grants				
	UNCLASSIFIED			
13	COMPENSATION FUND	968,000	0	0
14	RESERVE FUND	200,000	200,000	200,000
	TOTAL	1,168,000	200,000	200,000
	TOWN TOTAL	33,623,204	33,743,923	33,247,923 -496,000
	less budgeted Revenues	(2,094,507)	(2,215,226)	(2,215,226)
	NET TOTAL	31,528,697	31,528,697	31,032,697

ARTICLE 7 SPECIAL TOWN MEETING - FY2010 OPERATING BUDGET

LINE ITEM	DEPARTMENT	BUDGET FY2009	May 26, 2009	Oct 7, 2009	Decrease
			TOWN MEETING APPROVED FY2010	SELECTMEN/ FIN COM REC FY2010	
15	ANDOVER SCHOOL DEPT PERSONAL SERVICES	47,384,430	47,484,553	47,484,553	
16	OTHER EXPENSES	12,048,727	12,948,605	12,028,134	-920,471
	TOTAL	59,433,157	60,433,158	59,512,687	-920,471
	ANDOVER SCHOOL DEPT	59,433,157	60,433,158	59,512,687	
	less budgeted Revenues	-	-	-	
	NET TOTAL	59,433,157	60,433,158	59,512,687	

LINE ITEM	DEPARTMENT	TOWN MEETING APPROVED FY2009	TOWN MEETING APPROVED FY2010	TOWN MEETING AMENDED FY2010	Decrease
17	SEWER PERSONAL SERVICES	393,691	406,828	398,113	-8,715
18	OTHER EXPENSES	1,860,312	1,938,253	1,938,253	
	TOTAL	2,254,003	2,345,081	2,336,366	-8,715
19	WATER PERSONAL SERVICES	1,810,294	1,891,715	1,724,715	-167,000
20	OTHER EXPENSES	2,734,900	2,659,400	2,176,400	-483,000
	TOTAL	4,545,194	4,551,115	3,901,115	-650,000
Includes \$505,000 from Water reserves					
	SEWER and WATER TOTAL	6,799,197	6,896,196	6,237,481	
	less budgeted Revenues	(569,562)	(505,000)	(505,000)	
	NET TOTAL	6,229,635	6,391,196	5,732,481	
21	FIXED GR LAW TECH HS	362,730	494,553	494,915	362
22	DEBT SERVICE	13,348,695	13,312,391	13,312,391	
23	GENERAL INSURANCE	635,088	640,500	640,500	
24	UNEMPLOYMENT COMP.	100,000	100,000	100,000	
25	RETIREMENT FUND	4,510,979	4,635,498	4,635,498	
26	HEALTH INSURANCE FUND	11,097,000	12,550,000	12,550,000	
	TOTAL	30,054,492	31,732,942	31,733,304	362
	FIXED TOTAL	30,054,492	31,732,942	31,733,304	
	less budgeted Revenues	-	-	-	
	NET TOTAL	30,054,492	31,732,942	31,733,304	

GRAND TOTAL	129,910,050	132,806,219	130,731,395	(2,074,824)
less budgeted Revenues	(2,664,069)	(2,720,226)	(2,720,226)	
NET TOTAL	127,245,981	130,085,993	128,011,169	